

UNION ELECTRIC COMPANY
1901 GRATIOT STREET - ST. LOUIS

150972

January 8, 1974

MAILING ADDRESS:
P. O. BOX 149
ST. LOUIS, MO. 63166

Mr. Frank L. Pelligrini
Attorney at Law
Suite 1025
706 Chestnut Street
St. Louis, Missouri 63101

Dear Mr. Pelligrini:

This letter will supplement information furnished to you, Mr. Fred H. Leyhe, and Mr. Richard Burke by myself and Mr. Paul Abendschein at the recent meeting in Mr. Leyhe's office regarding wastes to be deposited in the ash pond on property now owned by Mr. Leyhe south of our Cahokia Power Plant when this plant is converted from coal firing to oil firing.

After this plant is converted to oil firing, the existing ash pond will be used to precipitate solid materials from a variety of plant discharges such as treated sanitary wastes, boiler blowdown, evaporation blowdown, water treatment wastes, and floor drain wastes. There will be no waste oil, tar residue or combustible material deposited in the pond as a result of the oil firing of this plant. The new deposits to be placed in the pond will be comparable in texture to fly ash insofar as foundation stability is concerned. All of our proposed deposits will meet EPA standards.

Under the terms of the original Ash Disposal Agreement dated December 3, 1952 between the Pitzman Trustees and Union Electric Company, there is no monetary consideration involved because at the time the agreement was executed it was agreed that our disposal of fly ash in the pond was mutually beneficial to both parties. We believe it would still be beneficial to your client and to us to continue the filling of the pond with these new discharges.

State of Illinois Permit No. 8002 authorizes us to fill an area of approximately 150 acres with fly ash and pit ash from our Cahokia Plant. This acreage is now owned by your client. This permit expired on December 31, 1973; however, we have requested an extension of the permit and we have also requested the State of Illinois to amend the permit to include the discharges listed above. We will keep this permit and any other permits required by governmental agencies in force continuously while we are discharging materials in the ash pond.

Live Better ...



... Electrically

January 8, 1974

Union Electric Company will be agreeable to indemnification of your client as a result of our use of the ash pond.

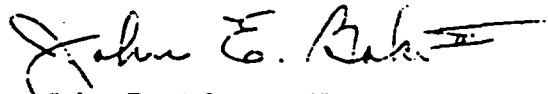
We would like to discharge these materials in the pond for a period of ten years and on a year-to-year basis thereafter until terminated by either party giving the other six months' prior notice of its intent to terminate.

We have been advised by our Operating Department that we have no river frontage available for use by your client.

We propose to enter into a new agreement with your client to cover the discharges listed above. Please review this information and furnish us any comments you may have regarding these matters.

Thank you for your cooperation.

Yours very truly,

A handwritten signature in dark ink, appearing to read "John E. Baker, III". The signature is fluid and cursive, with a horizontal line extending from the end.

John E. Baker, III
Real Estate Agent

PA/db